



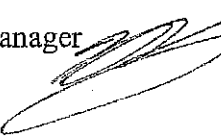
14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885

STAFF REPORT

TO: Board of Directors, 14th DAA

FROM: Michael Bethke, Fair Manager 

DATE: March 8, 2011

SUBJECT: 2011 Ocean Raceway Proposed Schedule

RECOMMENDATION: Staff recommends that your Board review the attached information and contract and direct staff to oversee and monitor the operation of up to thirty (30) motorized races for the 2011 racing season.

DISCUSSION: Staff presented you Board a staff report at your last meeting which unfortunately referenced a Rental Agreement (R2006-41), which we now have determined is superceded by the attached contract (R2009-10). As highlighted, this contract has been officially approved by a representative of Fairs & Expositions, and actually contains the requisite curfew and noise restriction/monitoring/penalty provisions that the previous noted contract did not contain. This provision now makes this Rental Agreement consistent with the policy directives for the Requirements for Motorized Racing Contracts as noted in our previous staff report.

Staff has also reached an agreement with the racetrack promoter that there will be no motorized races during the Fair this year (September 13-18). This agreement will serve two purposes: 1) It will lessen the on-site activity during the peak periods of hectic Fair related events, and 2) It will free up a considerable amount of extra over-flow parking spaces during peak Fair activity as well.

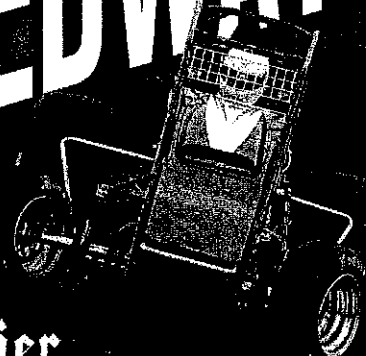
In the event there are no anticipated rain-out days during the March, April or May race months, Staff has reached an agreement with the racetrack promoter to have a future scheduled race date cancelled – subject to future scheduling options - thus keeping the overall number of races for this season at thirty (30).

Finally, Staff has directed our acoustic engineer (Magic Sound) to periodically monitor the noise levels during scheduled race events, and provide a written report of his noise readings and findings that will be made available for public review, and thus ensure compliance with all applicable noise monitoring provisions.



Ocean's SPEEDWAY

At Santa Cruz County Fairgrounds



2011 EVENT SCHEDULE



MARCH 18, FRIDAY KIDS FREE 12 AND UNDER
OPENING NIGHT
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

MARCH 25, FRIDAY
OCEAN SPRINTS NIGHT #1
 360 Sprint Cars: American Stocks: 4-Bangers: Wingless Sprints
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

APRIL 1, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: 4-Bangers:
 Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

APRIL 8, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

APRIL 15, FRIDAY
OCEAN SPRINTS NIGHT #2 (PRESENTED BY 7000 BR420)
 360 Sprint Cars: Wingless Sprints: American Stocks: 4-Bangers
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

APRIL 23, SATURDAY
KING OF THE WEST SERIES
 410 Sprint Cars: BAD Dwarf Cars: Ocean Modifieds
 ADULT \$20 • KIDS \$15 • SENIOR \$18 • FAMILY \$60

APRIL 29, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: 4-Bangers:
 Ocean Lake Models: Micro 600s: Wingless Sprints
 ADULT \$14 • KIDS FREE • SENIOR \$12

MAY 6, FRIDAY
OCEAN SPRINTS NIGHT #4 (PRESENTED BY 7000 BR420)
 360 Sprint Cars: American Stocks: BAD Dwarf Cars: Wingless Sprints
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

MAY 13, FRIDAY
OCEAN SPRINTS NIGHT #5 (PRESENTED BY 7000 BR420)
KAYLA'S 1ST BIRTHDAY PARTY
GIRLS NIGHT AT THE RACES (ALL GIRLS FREE)
 360 Sprint Cars: Ocean Modifieds: 4-Bangers: Wingless Sprints
 Plus...Compust Desalination Derby
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

MAY 20, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

MAY 27, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

JUNE 3, FRIDAY
OCEAN SPRINTS NIGHT #7 (PRESENTED BY 1600 BR420)
 360 Sprint Cars: Wingless Sprints: Micro 600s: American Stocks
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

JUNE 10, FRIDAY KIDS FREE 12 AND UNDER
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 Plus...Desalination Derby and Roll-over Contest
 ADULT \$14 • KIDS FREE • SENIOR \$12

JUNE 17, FRIDAY
USAC NIGHT AT OCEAN
 USAC CRA 410s: Ford Focus: Wingless Sprints:
 Micro 600s: DESTRUCTION DERBY
 ADULT \$20 • KIDS \$15 • SENIOR \$18 • FAMILY \$60

JUNE 24, FRIDAY
OCEAN SPRINTS NIGHT #8 (PRESENTED BY 1600 BR420)
QUALIFYING RACE #1 FOR JOHNNY KEY CLASSIC
 360 Sprint Cars: Wingless Sprints: American Stocks: 4-Bangers
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

JULY 1, FRIDAY
1ST ANNUAL HOWARD KAEHNG CLASSIC
 410 Sprint Cars: BAD Dwarf Cars: 4-Bangers Plus...Oklahoma Handicaps
 ADULT \$20 • KIDS \$15 • SENIOR \$18 • FAMILY \$60

JULY 2, SATURDAY
1ST ANNUAL HOWARD KAEHNG CLASSIC
 410 Sprint Cars: American Stocks: Plus...Oklahoma Handicaps
 ADULT \$20 • KIDS \$15 • SENIOR \$18 • FAMILY \$60

JULY 8, FRIDAY
OCEAN SPRINTS V. CIVIL WAR
OCEAN SPRINTS NIGHT #9 (PRESENTED BY 7000 BR420)
QUALIFYING RACE #2 FOR JOHNNY KEY CLASSIC
 360 Sprint Cars: Wingless Sprints: Micro 600s
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

JULY 15, FRIDAY
4TH ANNUAL EASTER PASTOR RACE
 Ocean Modifieds: American Stocks: 4-Bangers:
 Ocean Lake Models: Wingless Sprints: DESTRUCTION DERBY
 ADULT \$14 • KIDS \$12 • SENIOR \$12 • FAMILY \$45

JULY 22, FRIDAY KIDS FREE 12 AND UNDER
DECIL RACE "50 LAPS OF MODIFIED ACTIVITY"
 Ocean Modifieds: American Stocks: Micro 600s:
 4-Bangers: Ocean Lake Models
 ADULT \$14 • KIDS FREE • SENIOR \$12

JULY 29, FRIDAY
OCEAN SPRINTS NIGHT #10 (PRESENTED BY 7000 BR420)
QUALIFYING RACE #3 FOR JOHNNY KEY CLASSIC
 360 Sprint Cars: Ocean Modifieds: American Stocks: Wingless Sprints
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

AUG 5, FRIDAY
KING OF THE WEST SERIES
 410 Sprint Cars: USAC Ford Focus: Midglers:
 USAC 410s: Ford Focus: Micro 600s
 ADULT \$20 • KIDS \$15 • SENIOR \$18 • FAMILY \$60

AUG 12, FRIDAY KIDS FREE 12 AND UNDER
JAMES 4TH BIRTHDAY
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$12 • KIDS FREE • SENIOR \$10

AUGUST 19, FRIDAY
OCEAN SPRINTS NIGHT #11 (PRESENTED BY 7000 BR420)
QUALIFYING RACE #4 FOR JOHNNY KEY CLASSIC
2ND ANNUAL POLICE IN PURSUIT
 360 Sprint Cars: Wingless Sprints: 4-Bangers
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

AUGUST 27, SATURDAY
51ST JOHNNY KEY CLASSIC
\$5,000.00 WIN
OCEAN SPRINTS NIGHT #12 (PRESENTED BY 7000 BR420)
 360 Sprint Cars: Wingless Sprints: Micro 600s
 Plus...Oklahoma Handicaps
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

SEPT 9, FRIDAY KIDS FREE 12 AND UNDER
TIM WILLIAMSON CLASSIC
50 LAP AMERICAN STOCK FEATURE
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Micro 600s: Ocean Lake Models
 ADULT \$14 • KIDS FREE • SENIOR \$12

SEPT 23, FRIDAY
OCEAN SPRINTS V. CIVIL WAR
OCEAN SPRINTS NIGHT #13 (PRESENTED BY 7000 BR420)
 360 Sprint Cars: Wingless Sprints: Ocean Modifieds
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

SEPT 30, FRIDAY KIDS FREE 12 AND UNDER
PAT PETTIT SHOOT-OUT
\$2500 TO WIN MODIFIED RACE
FINAL POINTS NIGHT FOR MODIFIEDS
& LATE MODELS
 Ocean Modified Short Out & 4-Bangers: American Stocks: Ocean Lake Models
 ADULT \$16 • KIDS FREE • SENIOR \$14

OCT 7, FRIDAY
OCEAN SPRINTS NIGHT #14 (PRESENTED BY 7000 BR420)
FINAL POINTS NIGHT FOR AMERICA STOCKS
 360 Sprint Cars: Wingless Sprints: Micro 600s
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

OCT 14, FRIDAY
OCEAN SPRINTS NIGHT #15 (PRESENTED BY 7000 BR420)
FINAL POINTS NIGHT FOR 360 SPRINT CARS
& WINGLESS SPRINTS
 Micro 600s: 4-Bangers
 ADULT \$17 • KIDS \$12 • SENIOR \$15 • FAMILY \$50

OCT 21, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR AMERICAN STOCKS
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

OCT 28, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

NOV 4, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

NOV 11, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

NOV 18, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

NOV 25, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

DEC 2, FRIDAY KIDS FREE 12 AND UNDER
FINAL POINTS NIGHT FOR CIVIL WAR
 Ocean Modifieds: American Stocks: BAD Dwarf Cars:
 4-Bangers: Ocean Lake Models: Micro 600s
 ADULT \$14 • KIDS FREE • SENIOR \$12

#1 MARCH 25 - FRIDAY

#2 APRIL 15 - FRIDAY

#3 APRIL 30 - SATURDAY

#4 MAY 6 - FRIDAY

#5 MAY 13 - FRIDAY

#6 MAY 21 - SATURDAY

#7 JUNE 3 - FRIDAY

#8 JUNE 24 - FRIDAY

#9 JULY 8 - FRIDAY

#10 JULY 29 - FRIDAY

#11 AUG 19 - FRIDAY

#12 AUG 27 - SATURDAY

#13 SEPT 23 - FRIDAY

#14 OCT 7 - FRIDAY

#15 OCTOBER 14 - FRIDAY

#16 OCTOBER 21 - FRIDAY

#17 OCTOBER 28 - FRIDAY

#18 NOV 4 - FRIDAY

#19 NOV 11 - FRIDAY

#20 NOV 18 - FRIDAY

#21 NOV 25 - FRIDAY

#22 DEC 2 - FRIDAY

#23 DEC 9 - FRIDAY

#24 DEC 16 - FRIDAY

#25 DEC 23 - FRIDAY

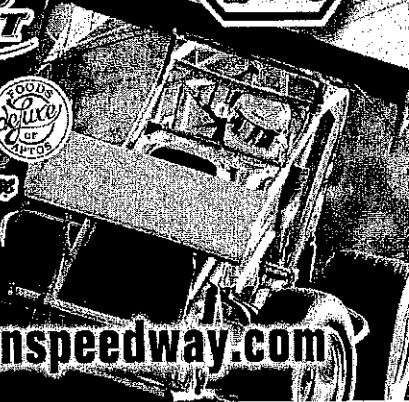
#26 DEC 30 - FRIDAY

#27 JAN 6 - FRIDAY

#28 JAN 13 - FRIDAY

#29 JAN 20 - FRIDAY

#30 JAN 27 - FRIDAY



INFO: 831-662-WINN (9466) • www.oceanspeedway.com

REVISED: FEBRUARY 17, 2009

Agreement No: R2009-10
Date: September 19, 2008

John Scurfield

RENTAL AGREEMENT

THIS AGREEMENT by and among the 14th District Agricultural Association/Santa Cruz County Fair, hereinafter called the Association, and: Ocean Speedway, LLC, hereinafter called the Renter

WITNESSETH:

1. **THAT WHEREAS**, The Renter desires to secure from the Association certain rights and privileges and to obtain permission from the Association to use Association premises beginning move in: March 7, 2009 and ending on: October 27, 2013, with exclusive right to renew two - three year options at \$60,000.00 per year under the same terms and conditions of this Agreement. Renter must notify Association of exercise of the options not less than 60 days before the end of each term.
2. **NOW, THEREFORE**, Association hereby grants to the Renter the right to occupy the space(s) described below for the purposes hereinafter set forth, subject to the terms and conditions of this agreement: 1/4 mile racetrack, grandstands, bleachers, parking lots, restrooms, beer and merchandise concession and two food concession stands.
3. The purposes of occupancy will be limited to: Auto Races and will be for no other purpose or purposes whatsoever.
4. Renters agree to pay to Association for the rights and privileges hereby granted, the amounts and in the manner set forth below: \$60,000 (6 consecutive monthly payments of \$10,000.00) to commence the first week of February of each year for racetrack and associated lighting, fair staff and trash service. The Association will install missing fencing or make needed repairs to perimeter cyclone fences and barbed wire associated with racetrack by March 9, 2009. The Association will work with Renter to develop a marketing plan to increase growth of racetrack and fairgrounds. Renter will be allowed to choose a security company to hire a total of seven guards per race when existing security contract ends in 2011, if this is within the Association rules to have a different security company as compared to who is under contract for Association interim and Fair time events. Renter will host races during Association's annual Fair at no cost to Association. Renter agrees to give Association a Fair banner to hang on the Highway 17 billboard for seven days during annual September Fair.
5. Renters agree to pay fees required by Association for and to guarantee the payment of:
 - (a) any money which may be payable to Association under this agreement;
 - (b) any damage to Fair property; ~~and utility charges~~, if any;
 - (c) removal of all property and the leaving of the premises in a condition satisfactory to Association.
6. Association will have the right to audit and monitor any and all sales as well as access to the premises.
7. Renters further agree to indemnify and save harmless Association and the State of California, their officers, agents, servants and employees from any and all claims, causes of action and suits accruing or resulting from any damage, injury or loss to any person or persons, including all persons to whom the Renters may be liable under any Workers' Compensation law and Renters' they and from any loss, damage, cause of action, claims or suits for damages, including but not limited to loss of property, goods, wares or merchandise, caused by, arising out of or in any way connected with the exercise by Renters of the privileges herein granted.
8. Renters further agree that they will not sell, exchange or barter or permit his employees to sell, exchange or barter, any permits issued to Renters of their employees hereunder.
9. It is mutually agreed that this contract or the privileges granted herein, or any part thereof, cannot be assigned or otherwise disposed of without the written consent of Association.
10. It is mutually understood and agreed that no alteration or variation of the terms of this contract will be valid, unless made in writing and signed by the parties hereto, and that no oral understandings or agreements not incorporated herein and no alterations or variations of the terms hereof, unless made in writing and signed by the parties hereto will be binding upon any of the parties hereto.
11. The Rules and Regulations printed on the reverse side hereof are made a part of this agreement as though fully incorporated herein. And Renters agree that they have read this agreement and the said Rules and Regulations and understands that they will apply, unless amended by mutual consent in writing of the parties hereto.
12. In the event Renters fail to comply in any respect with the terms of this agreement and the Rules and Regulations referred to herein, all payments for this rental space will be deemed earned and non-refundable by Association and Association will have the right to occupy the space in any manner deemed for the best interest of Association.
13. Special Provisions: **THE ATTACHED INTERIM RULES AND REGULATIONS BECOME A PART OF THIS AGREEMENT. ORIGINAL CERTIFICATE OF INSURANCES (PUBLIC AND/OR LIQUOR LIABILITY) TO BE ON FILE IN THIS OFFICE BY MARCH 7, 2009. ATTACHMENT "A" TO REPLACE LINE ITEM # 17 ON BACK PAGE OF THIS AGREEMENT.**
14. This agreement is not binding upon Association until it has been duly accepted and signed by it's authorized representative and approved (if required) by the Department of Food and Agriculture and the Department of General Services.

IN WITNESS WHEREOF, this agreement has been executed, by and on behalf of the parties hereto, the day and year first above written.

14th DISTRICT AGRICULTURAL ASSOCIATION
Address 2601 East Lake Avenue, Watsonville, CA 95076

By: John Scurfield, Deputy Manager
Title John Scurfield, Deputy Manager

Renter Ocean Speedway, LLC
Address 4400 Auto Plaza Drive, Capitola, CA 95010

By: John & Darlene Prentice/Promoter
Title John & Darlene Prentice/Promoter 831 464-1500

RULES AND REGULATIONS GOVERNING RENTAL SPACE

1. No Renter will be allowed to open until all the preliminary requirements herein set forth have been complied with.
2. ~~Renter will conduct his business in a quiet and orderly manner; will deposit all rubbish, slop, garbage, tin cans, paper etc. in receptacles provided by the Association within said plot for such purpose and will keep the area within and surrounding said location free from all rubbish and debris.~~
3. All buildings, tents or enclosures erected under the terms of Rental Agreement shall have the prior approval of Association and the local fire suppression authorities. All eating concessions not restricted to specific items will submit menus and prices to Association for approval at least twelve (12) hours in advance of each day's operation.
4. ~~Renter will furnish Association with a list of all sales prices and other charges of any kind whatsoever to be charged by the Renter in said space(s).~~
5. ~~Renter must furnish receipts for license fees, tax deposits, insurance, etc. prior to event.~~
6. Renter will conduct the privileges granted in the Rental Agreement according to all the rules and requirements of the State Department of Health Services and local health authorities and without infringement upon the rights and privileges of others; will not handle or sell any commodities or transact any business whatsoever for which an exclusive privilege is sold by Association, nor engage in any other business whatsoever upon or within said premises or fairgrounds, except that which is herein expressly stipulated and contracted for, will confine said transactions to the space and privileges provided in the Rental Agreement and that any and all exclusives granted Renter shall not include the Carnival and the Carnival Area.
7. ~~Renter will cause to be posted in a conspicuous manner at the front entrance to the concessions, a sign showing the prices to be charged for all articles offered for sale to the public under the Rental Agreement, the size of said sign, manner and place of posting to be approved by Association.~~
8. Association will furnish necessary janitor service for all aisles, streets, roads and areas used by the public, but Renter must, at his own expense, keep the concession space and adjacent areas properly arranged and clean. All concessions must be clean, all coverings removed and the concessions ready for business each day at least one hour before the fair is open to the public. Receptacles will be provided at several locations to receive Renters' trash and such trash must not be swept into the aisles or streets or any public space.
9. All sound-producing devices used by Renter within or outside his space must be of such a nature and must be so operated as not to cause annoyance or inconvenience to his patrons or to other Concessionaires or Exhibitors and the decision of Association as to the desirability of any such sound-producing device shall be final and conclusive. Sound-amplification equipment may be installed within or outside any space only by first obtaining written permission thereof from Association.
10. Renter agrees that there will be no games, gambling or any other activities within the confine of his space in which money is used as a prize or premium and that he will not buy and/or permit "buy backs" for cash, any prizes or premiums given away to patrons in connection with the use of the space. Only straight merchandising methods shall be used and all methods of operation, demonstration and sale, shall be subject to the approval of the Association and the local law enforcement officials.
11. Renter is entirely responsible for the space allotted to Renter and agrees to reimburse Association for any damage to the real property, equipment, or grounds used in connection with the space allotted to Renter, reasonable wear and tear and damage from causes beyond Renter's control excepted.
12. ~~Association may provide watchman service which will provide for reasonable protection of the property of Renters, but Association shall not be responsible for loss or damage to the property of Renter.~~
13. Each and every article of the space and all boxes, crates, packing material and debris of whatsoever nature used in connection with the space and owned by Renter must be removed from the buildings and grounds by Renter, at his own expense, not later than a date specified by Association. It is understood in the event of Renter's failure to vacate said premises as herein provided, unless permission in writing is first obtained, Association may and is herein authorized and made the agent of Renter to remove and store the concessions and all other material of any nature whatsoever, at the Renter's risk and expense and Renter shall reimburse Association for expenses thus incurred.
14. No Renter will be permitted sell or dispose of anywhere on the Fairgrounds alcoholic beverages as defined in the Alcoholic Beverage Control Act, except in the concession space. Even such limited sales are not to be made unless Renter is authorized in writing by Association and unless he holds a lawful license authorizing such sales on said premises.
15. All safety orders of the Division of Industrial Safety, Department of Industrial Relations, must be strictly observed.
16. Failure of Association to insist in any one or more instances upon the observance and/or performance of any of these rules and regulations shall not constitute a waiver of any subsequent breach of any such rules and regulations.
17. ~~This rental agreement shall be subject to termination by either party at any time during the term hereof by giving the other party notice in writing at least 30 days next prior to the date when such termination shall become effective. Such termination shall relieve the Association of any further performances of the terms of this agreement.~~ See Attachment "A".
18. ~~"Contractor, by signing this contract, does swear under penalty that no more than one final unappealable finding of contempt of court by a Federal court has been issued against that Contractor within the immediately preceding two year period because of the Contractor's failure to comply with an order of the National Labor Relations Board Government Code Section 14780.5 (SAM Sec. 12127)."~~
19. Renter recognizes and understands that this rental may create a possessory interest subject to property taxation and that the Renter may be subject to the payment of property taxes levied on such interest.
20. The Association shall have the privilege of inspecting the premises covered by this agreement at any time of all times.
21. The parties hereto agree that Renter, and any agents and employees of Renter, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of Association.
22. Time is of the essence of each and all the provisions of this agreement, and the provisions of this agreement shall extend to and be binding upon an inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

Memo to Fair Management Hazardous Agreements. If this agreement provides for a hazardous activity, the current Form FE-13, Statement Regarding Insurance, must be attached to each copy and incorporated by reference in Paragraph 14 on page one.

Nondiscrimination Clause, Form 17A or Form 17B for agreements over \$5,000 must be attached to each copy and incorporated by reference in Paragraph 14 of page one

ATTACHMENT A

17. This rental agreement shall be subject to termination only by: 1. mutual agreement of the parties at any time during the term or 2. by Association if Renter fails to perform under the terms and obligation of the contract and fails to cure such defect within 30 days after notice has been provided by Association to Renter of the breach. If Renter fails to cure said defect before the 30 days expire then the Agreement is terminated. Such termination shall relieve the parties of any further performances of the terms of this agreement.

J/ or

RULES AND REGULATIONS (cont)

23. Noise Level Policy and Monitoring Procedure complying with State Noise Ordinance shall be enforced. The maximum decibel level is 95 decibels at one hundred feet. Any vehicle not in compliance shall be prohibited from racing until corrections have been made. Reports to be submitted to the Santa Cruz County Fair Office within 48 hours noting correction(s). **Friday and Saturday Night Racing shall terminate no later than 11 PM.** An exception shall be made for emergency services. However, if during the evening the races experience a number of stoppages, it will be the responsibility of Racing Management to cancel some events in order to finish by 11 PM. Should the races exceed the 11 PM closing time, a "fine" shall be imposed as follows: 1st offense in one calendar year, \$500.00 fine paid by the Contractor to the Association; 2nd offense in one calendar year, \$1000.00 fine paid by the Contractor to the Association; 3rd offense in one calendar year, Appointment with the Assistant Director, Department of Food and Agriculture, Division of Fairs and Expositions to determine corrective action.

24. Track Preparations, Grading, Water Drainage, and Crash Wall Maintenance shall be the responsibility of the Contractor.

25. Each Party shall have the discretion to place signs at their own expense. The Association's Management must approve signs installed by the Contractor. Revenues from sign (inside) the racing area are the property of the contractor. The 14th District reserves the right to place up to two (2) signs inside the racing area for its own purpose or to derive revenue or other benefit to the District.

26. Contractor agrees to hire supervise and control qualified employees for his operations. In addition to work the contractor recognizes as qualifications for employees and officials, the following are basic requirements:

- (1) Neatness of appearance, including uniforms for those in positions highly visible.
- (2) Courteous, professional treatment of customers and participants and responsible behavior on the fairgrounds is a requirement.
- (3) The Association reserves the right to require disciplinary action up to and including termination of the employment of any of the contractor's employees who do not meet the basic requirements of courtesy, behavior, and professionalism.

27. Contractor is generally responsible to meet all requirements for health, safety, and disabled access and other lawful codes, laws and regulations that may affect the racing facility and operation.

J / K